

The Honorable Richard A. Jones

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON
AT SEATTLE

UNITED STATES OF AMERICA,

Plaintiff,

vs.

BERNARD ROSS HANSEN and

DIANE RENEE ERDMANN,

Defendants.

Case No. 2:18-cr-00092-RAJ

STIPULATION OF THE PARTIES RE:
MOTION FOR ORDER TO PREVENT
SPOILIATION OF EVIDENCE

The defendants, Bernard Ross Hansen and Diane Renee Erdmann, moved this Court for an Order preventing the destruction and spoliation of evidence in the possession and control of the Chapter 11 Trustee, Mark Calvert. Dkt. 30 (Motion); *see also* Dkt. 34 (Government Response); Dkt. 32 (Limited Objection by Trustee); and Dkt. 35 (Joint Reply to Govt. Response). At a hearing on the motion held June 18, 2018, the Court directed the parties to meet and confer regarding practical solutions to the issues presented in the motion.

The parties have since met and conferred on numerous occasions and the Trustee provided the Government and the defense access to the Nevada warehouse where the records at the heart of

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(*Hansen and Erdmann*, CR18-092RAJ) - 1
501870237v2

K&L GATES LLP
925 FOURTH AVENUE
SUITE 2900
SEATTLE, WASHINGTON 98104-1158
TELEPHONE: (206) 623-7580
FACSIMILE: (206) 623-7022

1 the motion were located. Based on these discussions and the on-site review of the facility, the
2 parties agreed on the following:

- 3 • According to the Trustee, NWTM's accounting and financial records and emails are
4 stored on servers owned and maintained by Green House Data (the "Cloud Servers")
5 pursuant to a contract between NWTM and Green House Data. The Cloud Servers are
6 maintained at the expense of the NWTM bankruptcy estate. The Trustee believes he
7 soon will no longer need access to the data stored on the Cloud Servers. The
8 Government and Defense have declined to assume the contract for maintenance of the
9 Cloud Servers.
- 10 • The Trustee will produce mirror images of the Cloud Servers, created on or about June
11 30, 2018, which contain NWTM's accounting and financial records and emails (the
12 "Server Copies");
- 13 • The Trustee provided the Government and Defense team access to the Nevada
14 warehouse on June 27 and June 28, 2018. There were more than 1400 boxes identified
15 as records from the years 2009 through 2016 related to the business of NWTM, and
16 segregated accordingly (the "2009-2016 Physical Records"). The Physical Records
17 include a wide variety of documents that were stored by NWTM through the years.
- 18 • In July 2018, the 2009-2016 Physical Records were shipped from Dayton, Nevada, to
19 Seattle, Washington, and on agreement of the parties, they are stored at the Federal
20 Center South in the custody of the Government. The Government has made these
21 Records reasonably available for the defendants' review, and will continue to make the
22 Records reasonably available for defendants' review throughout the pendency of this
23 case.
- 24 • The parties agree that the Government may destroy or otherwise dispose of any of
25 these boxes of Physical Records at any time, upon agreement of the attorneys for the
26 defendants, and without further Court order. In the event the parties cannot agree as to

whether particular records may be destroyed, the parties may file a motion with the Court to resolve any such disputes.

- Any remaining boxes stored in the Nevada warehouse are irrelevant to further bankruptcy proceedings or the pending criminal case. Such records primarily contain business records of NWTM dating from the 1980's to 2008;
- The remaining boxes of records that date from the year 1980 to 2008 (the "Pre-2009 Records") are of inconsequential value to the estate and in fact, are burdensome and costly to store.
- On agreement of the parties, and pursuant to an order entered by the Honorable Christopher M. Alston, United States Bankruptcy Judge in Case No. 16-11767, United States Bankruptcy Court for the Western District of Washington (the "NWTM Bankruptcy"), Mr. Hansen retrieved, and made arrangements to store, many of the pre-2009 Records. The pre-2009 Records not retrieved by Mr. Hansen were destroyed. The Trustee delivered to Hansen's storage locker additional records that he requested at no cost to Hansen.
- There are also several physical servers formerly located in Dayton, Nevada (the "Dayton Facility"), that may contain accounting, financial, or email data, but, per the Trustee, primarily contain artwork files (the "Physical Servers") and run the security system. The Trustee has surrendered possession of the Dayton Facility to the landlord. Pursuant to a settlement agreement between the bankruptcy estate and the landlord, which is pending approval by the Bankruptcy Court, the Physical Servers will be transferred to the landlord, with the Trustee retaining the right to access the data on the Physical Servers.
- The Government and Defense shall be granted access to the Physical Servers to make copies of any business records thereon. After October 31, 2018, unless additional time is requested for good cause, the Trustee may, at his discretion, delete the data from the Physical Servers.

Accordingly, for the reasons stated above and in the interests of justice, the parties agree and respectfully recommend that the Court enter the attached proposed stipulated order

Respectfully submitted this 11th day of October, 2018.

s/ Jennifer E. Wellman and Dennis P. Carroll

Attorneys for Bernard Ross Hansen
Federal Public Defender
1601 Fifth Avenue, Suite 700
Seattle, WA 98101
(206) 553-1100
Fax (206) 553-0120
Email: Jennifer.Wellman@fd.org
Dennis.Carroll@fd.org

/s Michael G. Martin

Michael G. Martin WSBA #11508
Attorney for Diane R. Erdmann
Siderius Lonergan & Martin LLP
500 Union Street, Suite 847
Seattle, WA 98101
(206) 624-2800
Fax (206) 624-2805 Email:
michaelm@sidlon.com

s/ Brian Werner

BRIAN WERNER
Assistant United States Attorney
700 Stewart Street, Suite 5220
Seattle, Washington 98101
Telephone: (206) 553-7970
E-mail: brian.werner@usdoj.gov

s/ David C. Neu

David C. Neu, WSBA #33143
Attorneys for Mark Calvert, Chapter 11
Trustee
K&L Gates LLP
925 Fourth Ave., Suite 2900
Seattle, WA 98104
(206) 623-7580
Fax (206) 370-6289
Email: david.neu@klgates.com

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FACSIMILE: (206) 623-7022

CERTIFICATE OF SERVICE

I hereby certify that on this date, I electronically filed the foregoing document with the Clerk of the Court using the CM/ECF system, which will send notification of such filing to the following:

Dennis Carroll
FEDERAL PUBLIC DEFENDER'S OFFICE (SEA)
1601 5TH AVE
STE 700 WESTLAKE CENTER OFFICE TOWER
SEATTLE, WA 98101

Michael G Martin
SIDERIUS LONERGAN & MARTIN, LLP
500 UNION STREET, SUITE 847
SEATTLE, WA 98101

Jennifer Elizabeth Wellman
FEDERAL PUBLIC DEFENDER'S OFFICE (SEA)
1601 5TH AVE
STE 700 WESTLAKE CENTER OFFICE TOWER
SEATTLE, WA 98101

Brian D Werner
US ATTORNEY'S OFFICE (SEA)
700 STEWART ST
STE 5220
SEATTLE, WA 98101-1271

DATED: October 11, 2018, at Seattle, Washington

/s/ Denise A. Lentz
Denise A. Lentz, Paralegal

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